



**First Meeting  
2004 Interim  
June 15, 2004**

**Room 412  
State Capitol  
Pierre, South Dakota**

The first meeting of the Department of Education Agency Review Committee was called to order by the Chair, Senator Ed Olson, at 9:00 a.m. (CDT) on June 15, 2004, in Room 412 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Ed Olson and Al Kurtenbach; and Representatives Julie Bartling, Jim Bradford, Joel D. Dykstra, Burt Elliott, Phyllis M. Heineman, Ted A. Klaudt, Maurice LaRue, Ed McLaughlin, Kathy Miles, and Bill Thompson. Excused were Senator John Reedy and Representative Kent Juhnke .

Staff members present included Clare Cholik, Senior Research Analyst, and Reta Rodman, Legislative Secretary.

(NOTE: For sake of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents are on file with the Master Minutes.)

### **Approval of Agenda**

**REPRESENTATIVE KLAUDT MOVED, SECONDED BY REPRESENTATIVE BARTLING, THAT THE AGENDA BE APPROVED. MOTION PREVAILED UNANIMOUSLY ON A VOICE VOTE.**

### **Opening Remarks**

**Senator Olson**, Chair, stated that the framework of this committee would consist of the areas about which committee members want to know more. The LRC staff will work with the committee in obtaining that information. He indicated that he wants this committee to be responsive and hopes members will go away feeling it was productive even if the committee does not produce any legislation.

**Representative Heineman**, Vice Chair, stated that, as the committee examines all of the divisions of the department, its primary focus should be on the achievement of students.

### **A Historical Perspective on the Sunset Process**

**Mr. Reuben Bezpaletz**, Chief of Research and Legal Services with the LRC, distributed copies of a document entitled, "Typical Study Plan for Interim Sunset Committees" (**Document #1**). According to Mr. Bezpaletz, program expansion was widespread during the Kennedy and Johnson administrations. This led to a public outcry against "big government",

and the sunset process was created. Now, years later, since the likelihood of a department being shut down is very remote, the process is referred to as an agency review.

Mr. Bezpaletz noted that a typical agency review includes several elements including an initial presentation by the department being reviewed, a review of all applicable laws and regulations, and a segment devoted to taking testimony from those who have worked with the department.

Variations to the typical agency review study plan may occur at the direction of the Executive Board, the agency review committee or the chair of the committee. Although the review process is not ordinarily a performance audit, if the study plan is varied to include any audit function, Mr. Bezpaletz suggests that the Department of Legislative Audit be involved in the execution of that function.

### **Opening Presentation of the Department of Education**

**Dr. Rick Melmer**, Secretary, Department of Education, presented a handout to the committee members entitled, "South Dakota Department of Education – Putting Kids First" (**Document #2**). He noted there are seven key areas on which the Department of Education is focusing. They are:

- 1) High Quality Schools;
- 2) Professional Development;
- 3) Effective Communication;
- 4) Education Service Agencies;
- 5) High School Initiatives;
- 6) Early Childhood;
- 7) Native American Education.

Following his initial remarks, Dr. Melmer introduced each division director. He noted that he was beginning the search for a new director of the Office of Career and Technical Education and a new director of the Office of the State Library. Both slots are currently vacant. Dr. Melmer spoke of the current goals of the department which include emphasizing customer service and improving communication both within the department and with the people it serves.

### **Office of Curriculum, Technology, & Assessment**

**Dr. Tammy Bauck**, Director, presented a handout to the committee detailing the responsibilities of the division (**Document #3**). As the name implies, the division focuses on the three main areas of curriculum, technology and assessment. Dr. Bauck focused particularly on two professional development programs for teachers. The first of these is SD Reads. During the last school year, 1335 teachers and 64,370 students benefited from the program. It provides literacy instruction to teachers that is supported by scientific research and proven to optimize the reading abilities of students.

The second program is the Reading First Initiative which includes a grant to the state in the amount of fourteen million dollars over six years. The money is used to help schools implement reading programs for students in kindergarten through third grade.

### **Office of Career and Technical Education**

**Ms. Gloria Smith-Rockhold**, Acting Director, met with the committee to present her division's functions and goals. Her handout was entitled, "South Dakota Career and Technical Education" (**Document #4**). Ms. Smith-Rockhold noted that there are twenty-two secondary career and technical programs and sixty postsecondary career and technical programs in the state. In grades seven through twelve, 29,000 students are served and 5,694 students are served on the postsecondary level. She spoke of career and technical student organizations such as FHA on the secondary level and Phi Beta Lambda on the postsecondary level. These organizations help students develop critical thinking skills and afford them the opportunity for many scholarships. Ms. Rockhold-Smith told the committee that the \$500,000 special appropriation that the office received from the legislature this year will be used to make career and technical programs more portable and allow them to be delivered to students who don't have access to them now.

### **Office of Accreditation and Teacher Quality**

**Ms. Melody Schopp**, Director, presented the committee members with two handouts. One is entitled, "Office of Accreditation and Teacher Quality" (**Document #5**) and the other is entitled, "Teacher Quality Assurance System" (**Document #6**). She stated that one of the division's goals is to strengthen the quality assurance system. The division hopes to accomplish this by reviewing and revising the teacher education program standards, the program approval process, and also the teacher certification requirements and criteria. According to Ms. Schopp, the Accreditation Advisory Council is working to revise the requirements for state accreditation. The council is looking at the possibility of adding onsite reviews and establishing levels of accreditation. The Alternative Certification Advisory Council was created as required by statute. Ms. Schopp indicated that currently 135 people are working toward alternative certification for teachers and 95 building managers or CEO's are working to become alternatively certified as administrators.

She noted that 1253 families participate in alternative instruction (or home schooling) in the state, and that few regulations exist to govern them.

South Dakota received an "Every Teacher" grant for teacher quality enhancement. It is in the amount of 3.2 million dollars over the course of three years. Ms. Schopp informed the committee that beginning on July 1, 2005, teachers must pass a test before they can become certified. She spoke of her division's efforts to track the percentages of classes not being taught by highly qualified teachers under the terms of No Child Left Behind and to assist schools in determining highly qualified teachers for hiring purposes.

**At 12:00 p.m. Senator Olson called a recess for lunch.**

### **No Child Left Behind (NCLB)**

**Ms. Diane Lowery**, NCLB Coordinator, advised the committee that technical assistance and professional development have been provided to districts and schools in school improvement through informational meetings and data retreats. She presented a handout entitled, "No Child Left Behind Act (NCLB)" (**Document #7**). The department has continued its practice of providing School Support Team (SST) members to help schools with school improvement planning. Ms. Lowery noted that additional funding for Title 1 schools in improvement status is available through allocations from the four percent set-aside of the Title 1 Part A allocation.

She discussed the first Governor's Teacher Leadership Conference that was held in September 2003. The second conference is scheduled for October 2004. Over 500 teachers attended the first conference. There is also additional professional development provided through individual NCLB Title programs.

Ms. Lowery also stated that there are over 25 "Title 1 Preschools" in South Dakota districts. This program follows the quality and curriculum requirements of Head Start. The department is researching options to make a quality preschool experience available to all four year old children in the state. Ms. Lowery informed the committee that an area of great concern is Native American education. The 2003 state level scores for proficiency in both reading and math indicate a wide gap between the proficiency levels of white students and Native American students. She stressed the overall goal of NCLB is to improve academic achievement for ALL students.

She reported that 32 schools were identified for school improvement for the 2003-2004 school year. Another 199 schools and 111 districts did not make adequate yearly progress in at least one student group.

### **Office of Educational Services & Support**

**Ms. Janet Ricketts**, Director, distributed a document entitled, "Office of Educational Services and Support" (**Document #8**). Ms. Deb Barnett, who formerly was the division director and has since become Deputy Secretary of the department, introduced Janet Ricketts as the new director. Ms. Ricketts explained that the division was created as a result of the reorganization of the department in the summer of 2003. The office has 21 full time employees and is heavily federally funded (\$68.7 million federal, \$148,944 general funds). Ms. Ricketts and Ms. Barnett outlined some of the programs on which the division focuses. They include early childhood programs such as "Birth to 3", Head Start and Even Start. "Birth to 3" provides early intervention services for infants and toddlers with disabilities. Head Start serves children up to age five, and Even Start is a family literacy program that integrates early childhood, adult education and parenting education.

The division also works with programs that strive to help create high quality schools and provide professional development. Ms. Ricketts stated that under the Title 1 A Basic, there are 170 participating school districts. The program provides supplemental financial assistance to local school districts in areas with high concentrations of children from low-income families. Under this program, 28,115 students were served during the 2002-2003 school year. In the

area of special education, the office receives formula grant money based on a pre-determined formula. The money provided assistance to 14,892 students in public school districts through December 2003 and to another 315 students served in non-public school districts.

### **Recess**

The meeting recessed at 2:20 p.m. to allow committee members to tour the C-SPAN school bus parked in the north parking lot. Those touring the bus learned of the many educational resources available to teachers from C-SPAN. The meeting reconvened at 2:50 p.m.

### **Office of Finance & Management**

**Mr. Stacy Krusemark**, Director, distributed a document entitled, "Office of Finance & Management" (**Document #9**). He said his division oversees the department budget and the budget request process, manages contractual agreements, and provides fiscal oversight of the Technology in Schools budget. The division also oversees the postsecondary institute distribution formula, which is based on requests from the Legislature. Mr. Krusemark indicated the department has over 600 contractual agreements at this time.

Shown below are the three areas for which Mr. Krusemark's division is responsible.

1) Data Collections

- State Aid; General and Special
- School Finance
- Student Information Management System (SIMS)
- Personnel Record Forms
- Education Statistics
- NCLB Accountability System

2) Accounting

- Manage the fiscal aspect of the department
- Process payments
- CMIA (Cash Management Improvement Act)
- Federal Draws (currently 8.3 million dollars)
- Financial reporting

3) Grants Management

- Manage fiscal side of federal grants
- Determine allocations
- Approve and monitor individual budgets

### **Office of State Library**

**Ms. Dorothy Liegl**, Acting Director, stated that the State Library was founded in 1913. The goal of the library is to provide resources to everyone who needs them. The State Library serves public schools, higher education, state employees, and citizens. It functions under the

direction of the State Library Board. She indicated that some communities have no library, therefore, the State Library is very active. The South Dakota State Library receives \$800,000 a year from the federal government. At this time, the library has Braille talking books and Braille text books. Ms. Liegl indicated that the library services are used heavily by home-schooled children and used more often by other teachers and students now that school librarians are fewer in number. She reported that the library has offered 184 different training opportunities for people associated with libraries and 3010 people have taken advantage of them.

### **Office of School Enhancement**

**Mr. Wade Pogany**, Director, listed the following areas on which his division is currently focusing:

- Strategic Planning
- Kids First Initiative
- Transition from High School to College
- Town Meetings
- 2010E Initiative
- Finishing Strong Initiative
- Education Service Agencies
- Child and Adult Nutrition Services
- Coordinated School Health
- Character Education

Mr. Pogany indicated that work on the 2010E Initiative is just getting underway. The Kids First Initiative involves maintaining a dialog with schools about sharing resources with each other and making decisions based on what is best for the students. As noted by Mr. Pogany, the establishment of Education Service Agencies (ESA's) will greatly enhance resource sharing opportunities for schools. This division is currently busy hiring and training staff for the ESA's.

Mr. Pogany also spoke of the Finishing Strong Initiative which seeks to bolster the senior year of students so the transition to their postsecondary education is easier. This includes providing professional development and enhancing the graduation requirements. He presented the committee with a draft copy of the department's proposed graduation requirements that are based on the legislation enacted this year requiring them to be enhanced (**Document #10**).

The division also focuses on child and adult nutrition services including the school lunch program and the breakfast programs that are becoming more popular in the state and provide many students with a nutritious meal that they would not get otherwise.

### **Public Testimony**

At this meeting, time was allotted for public testimony, but no one chose to testify. Senator Olson asked committee members to contact Clare Cholik in the LRC if they know of any individuals who may want to testify at future meetings.

### **Committee Discussion**

Following the Department of Education's presentation, committee members discussed the additional information they would like to receive at future meetings.

Representative Dykstra commended the department on being a good resource and not just a regulatory agency. He indicated that he'd like to know what the state received from the increased funding it has put into education in recent years, and what the state will receive from future funding increases. He also said he'd like to know what the state wants to achieve with its education system.

Representative Elliott said he had two main concerns. The first is what is being done to get paraprofessionals to the "highly qualified" status under the terms of No Child Left Behind. Secondly, he'd like to know which children are included in the definition of "homeless" children and what is being done to assist them.

Representative Thompson expressed an interest in hearing more about the role of algebra in curriculum, especially in light of the fact that the math and science graduation requirements are being increased.

Representative LaRue is interested in hearing more about the department's communications efforts and how they might allow the department to better meet its goals. He'd also like to know how the communications process is evaluated.

Both Representative Miles and Representative Dykstra want to know more about teacher certification, and whether or not national certification of teachers leads to improved student performance.

Senator Olson thinks it is important that the committee learn more about the department's current efforts to enhance the state accreditation process and how they are using the NCA model in coordination with that. He also is interested in hearing about the main components of quality teacher staff development.

Representative Bradford wants to hear more about career and technical education, including an update on the offerings and the impact that career and technical training has on students.

Lastly, Representative Heineman stated that she would like to look at a broader view of the department and examine why it does what it does, the funding sources for each division, and how each division has evolved over time. She said she thought it was important to ask each division to examine itself.

### **Next Meeting Date**

Senator Olson noted that the next meeting is currently scheduled for August 26, 2004. However, due to the large number of committee members who will be unable to attend, the meeting will instead be held on Wednesday, September 1, 2004, at 9:00 a.m.

### **Adjournment**

**REPRESENTATIVE HEINEMAN MOVED, SECONDED BY REPRESENTATIVE MILES THAT THE COMMITTEE BE ADJOURNED. THE MOTION PREVAILED ON A VOICE VOTE.**

**THE COMMITTEE ADJOURNED AT 4:20 p.m.**

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